
ESCROW AGREEMENT

by and among

GILROY UNIFIED SCHOOL DISTRICT,

GILROY SCHOOL FACILITIES FINANCING AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

Dated as of [_____] 1, 2019

**Gilroy School Facilities Financing Authority
General Obligation Revenue Bonds**

**Gilroy Unified School District
(County of Santa Clara, California)
General Obligation Bonds, Election of 2008, Series 2013**

**Gilroy Unified School District
(County of Santa Clara, California)
General Obligation Refunding Bonds, Series 2013**

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this “Escrow Agreement”), dated as of [_____] 1, 2019, is by and among the GILROY UNIFIED SCHOOL DISTRICT, a unified school district organized and existing under the laws of the State of California (the “District”), the GILROY SCHOOL FACILITIES FINANCING AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (the “Authority”), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as escrow bank (the “Escrow Bank”), as Prior Trustee (as defined herein) and as Prior Paying Agent (as defined herein).

W I T N E S S E T H:

WHEREAS, the District has heretofore issued the Gilroy Unified School District (County of Santa Clara, California) General Obligation Bonds, Election of 2008, Series 2013 (the “Prior 2013 District New Money Bonds”) in the original aggregate principal amount of \$40,670,000; and

WHEREAS, the Prior 2013 District New Money Bonds were issued pursuant to a Paying Agent Agreement, dated as of March 1, 2013 (the “Prior 2013 New Money Bond Paying Agent Agreement”), by and between the District and The Bank of New York Mellon Trust Company, N.A., as paying agent (the “Prior Paying Agent”); and

WHEREAS, the District has heretofore issued the Gilroy Unified School District (County of Santa Clara, California) General Obligation Refunding Bonds, Series 2013 in the original aggregate principal amount of \$70,000,000 (the “Prior 2013 District Refunding Bonds” and together with the Prior 2013 District New Money Bonds, the “Prior District Bonds”); and

WHEREAS, the Prior 2013 District Refunding Bonds were issued pursuant to a Paying Agent Agreement, dated as of March 1, 2013 (the “Prior 2013 Refunding Bond Paying Agent Agreement” and together with the Prior 2013 New Money Bond Paying Agent Agreement, the “Prior Paying Agent Agreements”), by and between the District and the Prior Paying Agent; and

WHEREAS, in order to purchase the Prior District Bonds, the Authority has heretofore issued the Gilroy School Facilities Financing Authority General Obligation Revenue Bonds, Series A (the “Prior Authority Bonds” and together with the Prior District Bonds, the “Prior Bonds”), in the original principal amount of \$110,670,000; and

WHEREAS, the Prior Authority Bonds were issued pursuant to an Indenture, dated as of March 1, 2013 (the “Prior Indenture”), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Prior Trustee”); and

WHEREAS, the District has determined that debt service savings can be achieved by refunding the outstanding Prior District Bonds as set forth in Exhibit A hereto (the “Refunded District Bonds”), which amounts resulting from such refunding are required to be used to refund the corresponding outstanding Prior Authority Bonds as set forth in Exhibit A hereto (the “Refunded Authority Bonds”); and

WHEREAS, in order to provide the funds necessary to refund the Refunded District Bonds and the Refunded Authority Bonds, the District has issued \$[_____] aggregate principal amount of Gilroy Unified School District (Santa Clara County, California) General Obligation Series 2019 Bonds, Series 2019 (Federally Taxable) (the “Series 2019 Bonds”); and

WHEREAS, the Series 2019 Bonds are issued pursuant to a resolution of the Board of Education of the District adopted on October 3, 2019 (the “Refunding Resolution”); and

WHEREAS, the District has determined to apply a portion of the proceeds of the Series 2019 Bonds for the purpose of providing the funds necessary (i) to pay, when due, the principal of and accreted interest on the Refunded District Bonds to and including August 1, 2023 and (ii) to redeem the Refunded District Bonds maturing thereafter on August 1, 2023 (the “Redemption Date”) at the Redemption Price (as defined in the Prior Paying Agent Agreements) required by the Prior Paying Agent Agreements (the “District Redemption Price”); and

WHEREAS, the amounts resulting from such refunding are required to be used to pay, when due, the principal of and interest on the Refunded Authority Bonds to and including the Redemption Date and to redeem the Refunded Authority Bonds maturing thereafter on the Redemption Date at a redemption price (the “Authority Redemption Price”) equal to principal amount of the Refunded Authority Bonds, without premium; and

WHEREAS, the Refunded District Bonds and the Refunded Authority Bonds are subject to redemption on the Redemption Date and the District and the Authority have determined to provide for the refunding on the Redemption Date of the Refunded District Bonds and the Refunded Authority Bonds; and

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the District, the Authority and the Escrow Bank agree as follows:

Section 1. Definitions. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed thereto in the Prior Indenture or Prior Paying Agent Agreements, as applicable.

Section 2. The Escrow Fund. (a) There is hereby established a fund (the “Escrow Fund”) to be held as an irrevocably pledged escrow by the Escrow Bank, which the Escrow Bank shall keep separate and apart from all other funds of the District and the Escrow Bank and which shall be applied solely as provided in this Escrow Agreement. The Escrow Fund is established for the purpose of refunding the Refunded District Bonds and the Refunded Authority Bonds and, for purposes of Section 53555 of the California Government Code, shall be deemed to be a fund in the treasury of the District.

Pending application as provided in this Escrow Agreement, amounts on deposit in the Escrow Fund are hereby pledged and assigned solely to the payment of the principal and accreted interest on and the District Redemption Price of the Refunded District Bonds, and the corresponding payment of the principal of and interest on and the Authority Redemption Price of the Refunded Authority Bonds, which amounts shall be held in trust by the Escrow Bank for the Owners of the Refunded District Bonds and the Owners of the Refunded Authority Bonds.

(b) Upon the issuance of the Series 2019 Bonds, there shall be deposited in the Escrow Fund \$[] received from the proceeds of the sale of the Series 2019 Bonds.

(c) Upon the deposit of moneys pursuant to Section 2(b), the moneys on deposit in the Escrow Fund will be at least equal to an amount sufficient to purchase the aggregate principal amount of non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America (the "Defeasance Securities") set forth in Exhibit B hereto (the "Exhibit B Securities"), which principal, together with all interest due or to become due on such Exhibit B Securities, and any uninvested cash held by the Escrow Bank in the Escrow Fund, will be sufficient to make the payments required by Section 4 hereof.

Section 3. Use and Investment of Moneys. (a) The Escrow Bank hereby acknowledges deposit of the moneys described in Section 2(b) and agrees to invest \$[] of such moneys in the Exhibit B Securities upon receipt of certification by a nationally recognized firm of independent certified public accountants that the Exhibit B Securities will mature in such principal amounts and earn interest in such amounts and, in each case, at such times, so that sufficient moneys will be available from maturing principal and interest on the Exhibit B Securities, together with any uninvested moneys then held by the Escrow Bank in the Escrow Fund, to make all payments required by Section 4 hereof. Except as provided in Section 3(b) or Section 3(c), the balance of the moneys described in Section 2 in the amount of \$[] shall be held uninvested in the Escrow Fund.

(b) Upon the written request of the District, but subject to the conditions and limitations herein set forth, the Escrow Bank shall purchase substitute Defeasance Securities for the Defeasance Securities then held in the Escrow Fund with the proceeds derived from the sale, transfer, redemption or other disposition of Defeasance Securities then on deposit in the Escrow Fund and any uninvested money then held by the Escrow Bank hereunder in accordance with the provisions of this Section. Such sale, transfer, redemption or other disposition of Defeasance Securities then on deposit in the Escrow Fund and substitution of other Defeasance Securities shall be effected by the Escrow Bank upon the written request of the District but only by a simultaneous transaction and only upon receipt of (i) certification by a nationally recognized firm of independent certified public accountants that the Defeasance Securities to be substituted, together with the Defeasance Securities which will continue to be held in the Escrow Fund, will mature in such principal amounts and earn interest in such amounts and, in each case, at such times so that sufficient moneys will be available from maturing principal and interest on such Defeasance Securities held in the Escrow Fund, together with any uninvested moneys, to make all payments required by Section 4 hereof, which have not previously been made, and (ii) receipt by the Escrow Bank of an opinion of counsel of recognized standing in the field of law relating to municipal bonds to the effect that the sale, transfer, redemption or other disposition and substitution of Defeasance Securities will not adversely affect the exclusion of interest on the Prior Authority Bonds from gross income for purposes of federal income taxation.

(c) Upon the written request of the District, but subject to the conditions and limitations herein set forth, the Escrow Bank shall apply any moneys received from the maturing principal of or interest or other investment income on any Defeasance Securities held in an Escrow Fund, or the proceeds from any sale, transfer, redemption or other disposition of Defeasance Securities

pursuant to Section 3(b) not required for the purposes of said Section 3(b)(i) to the extent such moneys will not be required at any time for the purpose of making a payment required by Section 4 hereof, as certified by a nationally recognized firm of independent certified public accountants delivered to the Escrow Bank, such moneys shall be transferred to the Director of Finance of the County (the "County Director of Finance") for deposit in the District's interest and sinking fund established for the Series 2019 Bonds upon the written request of the District as received by the Escrow Bank, free and clear of any trust, lien, pledge or assignment securing the Refunded District Bonds or Refunded Authority Bonds or otherwise existing hereunder, and (ii) to the extent such moneys will be required for such purpose at a later date, shall, to the extent practicable, be invested or reinvested in Defeasance Securities maturing at times and in amounts sufficient, as certified by a nationally recognized firm of independent certified public accountants delivered to the Escrow Bank, to make such payment required by Section 4 hereof. Prior to investing or reinvesting such moneys in Defeasance Securities pursuant to this subsection (c), the Escrow Bank shall receive an opinion of counsel of recognized standing in the field of law relating to municipal bonds to the effect that the investment or reinvestment of such moneys will not adversely affect the exclusion of interest on the Refunded District Bonds or Refunded Authority Bonds from gross income for purposes of federal income taxation.

(d) All Defeasance Securities purchased pursuant to this Escrow Agreement shall be deposited in and held for the credit of the Escrow Fund. Except as provided in this Section 3, no moneys or Defeasance Securities deposited with the Escrow Bank pursuant to this Escrow Agreement nor principal of, or interest payments or other investment income on, any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Refunded District Bonds and the Refunded Authority Bonds as provided by Section 4 hereof.

(e) The Owners of the Refunded District Bonds and the Owners of the Refunded Authority Bonds shall have a first and exclusive lien on the moneys and Defeasance Securities in the Escrow Fund until such moneys and Defeasance Securities are used and applied as provided in this Escrow Agreement.

(f) If the Escrow Bank learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of state and local government series securities ("SLGS") that is to be submitted pursuant to this Escrow Agreement, if any, the Escrow Bank shall promptly request alternative written investment instructions from the District with respect to funds which were to be invested in SLGS. The Escrow Bank shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Bank shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the District. In the absence of investment instructions from the District, the Escrow Bank shall not be responsible for the investment of such funds or interest thereon.

(g) The Escrow Bank shall not be held liable for investment losses resulting from compliance with the provisions of this Escrow Agreement.

Section 4. Payment of Prior Bonds. From the maturing principal of the Defeasance Securities held in the Escrow Fund and the investment income and other earnings thereon and any uninvested money then held in the Escrow Fund, the Escrow Bank shall:

(a) (i) on each interest payment date with respect to the Refunded District Bonds to and including the Redemption Date, pay the principal of and interest on the Refunded District Bonds then due and payable in accordance with the terms of the Prior Paying Agent Agreements, and (ii) on the Redemption Date, pay the District Redemption Price of the Refunded District Bonds in accordance with the terms of the Prior Paying Agent Agreements; and

(b) (i) From the receipts of funds from the payments on the Refunded District Bonds, the Escrow Bank shall on each interest payment date with respect to the Refunded Authority Bonds to and including the Redemption Date, pay the interest on the Refunded Authority Bonds then due and payable in accordance with the terms of the Prior Indenture, and (ii) on the Redemption Date, pay the Authority Redemption Price of the Refunded Authority Bonds in accordance with the terms of the Prior Indenture.

To the extent that the amount on deposit in the Escrow Fund on the Redemption Date is in excess of the amount necessary to make the required payments with respect to the Refunded District Bonds and the Refunded Authority Bonds, as shown in the escrow verification of the nationally recognized firm of independent certified public accountants, such excess shall be transferred to the County Director of Finance for deposit in the District's interest and sinking fund established for the Series 2019 Bonds.

Section 5. Irrevocable Instructions to Mail Notices. The District hereby irrevocably designates the Refunded District Bonds for prior redemption on the Redemption Date as indicated in Section 4 hereof and hereby irrevocably instructs the Escrow Bank, as the Prior Paying Agent, to give, at the expense of the District (i) notice of redemption of the Refunded District Bonds in accordance with Section 4.02 of each of the Prior Paying Agent Agreements, and (ii) notice of defeasance of the Refunded District Bonds in accordance with Section 9.02 of each of the Prior Paying Agent Agreements. The Authority hereby irrevocable designates the Refunded Authority Bonds for redemption on the Redemption Date, as indicated in Section 4 hereof, and hereby irrevocably instructs the Escrow Bank, as the Prior Trustee, to give, at the expense of the District, (i) notice of redemption of the Refunded Authority Bonds in accordance with Section 4.02 of the Prior Indenture, and (ii) notice of defeasance of the Refunded Authority Bonds in accordance with Section 10.02 of the Prior Indenture. The Escrow Bank agrees to perform the duties set forth herein and agrees that the irrevocable instructions to the Escrow Bank herein provided are in a form satisfactory to it.

Section 6. Performance of Duties. The Escrow Bank agrees to perform the duties set forth herein and agrees that the irrevocable instructions to the Escrow Bank herein provided are in a form satisfactory to it.

Section 7. Escrow Bank's Authority to Make Investments. The Escrow Bank shall have no power or duty to invest any funds held under this Escrow Agreement except as provided in Section 3 hereof. The Escrow Bank shall have no power or duty to transfer or otherwise dispose of the moneys held hereunder except as provided in this Escrow Agreement.

Section 8. Compensation. The District shall from time to time pay or cause to be paid to the Escrow Bank the agreed upon compensation for its services to be rendered hereunder, and

reimburse the Escrow Bank for all of its reasonable advances, expenses and charges, including, without limitation, legal fees and expenses, in the exercise and performance of its duties hereunder; provided, however, that under no circumstances shall the Escrow Bank be entitled to any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Bank under this Escrow Agreement or otherwise.

Section 9. Indemnification. To the extent permitted by law, the District shall indemnify and save the Escrow Bank and its officers, directors, agents and employees harmless against any liabilities, losses, costs, expenses (including, without limitation, legal fees and expenses), suits, judgments and claims which it or they may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or its willful misconduct. The indemnity contained in this Section shall survive the termination of this Escrow Agreement and the earlier removal or resignation of the Escrow Bank.

Section 10. Responsibilities of Escrow Bank. The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or any securities deposited therein, the purchase of the securities to be purchased pursuant hereto, the retention of such securities or the proceeds thereof, the sufficiency of the securities or any uninvested moneys held hereunder to accomplish the redemption of the Prior Bonds, or any payment, transfer or other application of moneys or securities by the Escrow Bank in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the District, and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representation as to the sufficiency of the securities to be purchased pursuant hereto and any uninvested moneys to accomplish the redemption of the Prior Bonds or to the validity of this Escrow Agreement as to the District and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence or willful misconduct, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Agreement. The Escrow Bank may consult with counsel, who may or may not be counsel to the District, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel of recognized standing in the field of law relating to municipal bonds) may be deemed to be conclusively established by a written certification of the District.

No provision of this Escrow Agreement shall require the Escrow Bank to risk or advance its own funds. The Escrow Bank shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bonds or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Bank

may execute any of its powers or duties hereunder through attorneys, agents or receivers and shall not be answerable for the actions of such attorneys, agents or receivers if selected by it with reasonable care.

The Escrow Bank shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Agreement and delivered using Electronic Means (“Electronic Means” shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Bank, or another method or system specified by the Escrow Bank as available for use in connection with its services hereunder); provided, however, that the District shall provide to the Escrow Bank an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the District whenever a person is to be added or deleted from the listing. If the District elects to give the Escrow Bank Instructions using Electronic Means and the Escrow Bank in its discretion elects to act upon such Instructions, the Escrow Bank’s understanding of such Instructions shall be deemed controlling. The District understands and agrees that the Escrow Bank cannot determine the identity of the actual sender of such Instructions and that the Escrow Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Bank have been sent by such Authorized Officer. The District shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Bank and that the District and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the District. The Escrow Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Bank’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The District agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Bank, including without limitation the risk of the Escrow Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the District; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 11. Resignation and Removal. The Escrow Bank may resign by giving written notice to the District, and upon receipt of such notice the District shall promptly appoint a successor Escrow Bank. If the District does not appoint a successor Escrow Bank within thirty days of receipt of such notice, the resigning Escrow Bank may petition a court of competent jurisdiction for the appointment of a successor Escrow Bank, which court may thereupon, upon such notice as it shall deem proper, appoint a successor Escrow Bank. Upon acceptance of appointment by a successor Escrow Bank, the resigning Escrow Bank shall transfer all moneys held by it in the Escrow Fund to such successor Escrow Bank and be discharged of any further obligation or responsibility hereunder.

The District may remove the Escrow Bank upon thirty (30) days' prior notice, by giving written notice of such removal to the Escrow Bank, and thereupon shall appoint a successor Escrow Bank by an instrument in writing. Upon acceptance of appointment by a successor Escrow Bank, the removed Escrow Bank shall transfer all moneys held by it in the Escrow Fund to such successor Escrow Bank and be discharged of any further obligation or responsibility hereunder.

Any successor Escrow Bank appointed under the provisions hereof shall be a trust company or bank having trust powers, having a corporate trust office in California, having a combined capital and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this paragraph the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Any bank, corporation or association into which the Escrow Bank may be merged or converted or with which it may be consolidated, or any bank, corporation or association resulting from any merger, conversion or consolidation to which the Escrow Bank shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Escrow Bank shall be the successor of the Escrow Bank hereunder without the execution or filing of any paper with any parties hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto where an instrument or transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

Section 12. Amendments. The District[, the Authority] and the Escrow Bank may (but only with the consent of the Owners of all of the Prior Bonds) amend this Escrow Agreement or enter into agreements supplemental to this Escrow Agreement; provided, however, that such amendments and agreements are limited to (a) insertion of unintentionally omitted material, corrections of mistakes or clarifications of ambiguities, (b) pledging of additional legal security for the benefit of the Owners of the Prior Bonds, or (c) providing for the deposit of additional cash and/or securities in the Escrow Fund. Prior to executing any such amendment or supplemental agreement, the Escrow Bank is entitled to receive and rely upon an opinion of counsel that such amendment or supplemental agreement is authorized or permitted hereunder and shall not materially adversely affect the interests of the owners of the Prior Bonds or the Series 2019 Bonds.

Section 13. Term. This Escrow Agreement shall terminate on the date upon which the Prior Bonds have been paid in accordance with this Escrow Agreement.

Section 14. Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the District or the Escrow Bank to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

Section 15. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

Section 16. Governing Law. This Escrow Agreement shall be construed under the laws of the State of California.

**GILROY UNIFIED SCHOOL
DISTRICT**

By: _____

**GILROY SCHOOL FACILITIES
FINANCING AUTHORITY**

By: _____

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., AS ESCROW
BANK, PRIOR PAYING AGENT AND
PRIOR TRUSTEE**

By: _____
Authorized Officer

EXHIBIT A

REFUNDED DISTRICT BONDS

**Gilroy Unified School District
(County of Santa Clara, California)
General Obligation Bonds, Election of 2008, Series 2013**

Maturity Date	Accretion Rate	Initial Principal Amount	Accreted Value at Maturity or Redemption	Redemption Premium	Redemption Date
--------------------------	---------------------------	---	---	-------------------------------	----------------------------

**Gilroy Unified School District
(County of Santa Clara, California)
General Obligation Refunding Bonds, Series 2013**

Maturity Date	Accretion Rate	Initial Principal Amount	Accreted Value at Maturity or Redemption	Redemption Premium	Redemption Date
--------------------------	---------------------------	---	---	-------------------------------	----------------------------

REFUNDED AUTHORITY BONDS

Maturity Date	Interest Rate	Principal Amount	Redemption Price	Redemption Date
--------------------------	--------------------------	-----------------------------	-----------------------------	----------------------------

EXHIBIT B

DEFEASANCE SECURITIES

Type	Maturity Date	Par Amount	Interest Rate	Cost
-------------	--------------------------	-------------------	----------------------	-------------